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PP RUEHWEB

DE RUEHAH #0213/01 0430430
ZNR UUUUU ZZH
P 120430Z FEB 08
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 0253
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 3368
RUEHBJ/AMEMBASSY BEIJING 1184
RUEHKO/AMEMBASSY TOKYO 1051
RUEHIT/AMCONSUL ISTANBUL 1620
RUCPDO/DEPT OF COMMERCE WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RHEHNSC/NSC WASHDC
RHMFIUU/CDR USCENTCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RUEHVEN/USMISSION USOSCE 2209

UNCLAS ASHGABAT 000213

SIPDIS

SENSITIVE
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STATE FOR SCA/CEN, EEB
PLEASE PASS TO USTDA DAN STEIN
ENERGY FOR EKIMOFF/THOMPSON
COMMERCE FOR HEUPER

E.O. 12958: N/A

TAGS: [PGOV](#) [EPET](#) [EFIN](#) [TX](#)

SUBJECT: TURKMENISTAN: GAS PRICE HIKE TAKES CITIZENS BY
SURPRISE

REF: ASHGABAT 0188

11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: Following reports on state media of an introduction of market prices for automobile gasoline the evening of February 8, drivers descended upon gas stations in Ashgabat for one last go at unlimited subsidized petrol. Although the price hike was supposed to take effect only on February 11, by February 9, gas station attendants sold drivers a maximum of a half-tank of gas. As predicted, Turkmen citizens are bracing themselves for a steep rise in the price of foodstuffs and other consumer goods (reftel). Another possible negative effect is abuse of the system based on black market sales of ration coupons. END SUMMARY.

FEBRUARY 8: ANNOUNCEMENT ON EVENING NEWS

13. (SBU) Watan TV news reported the presidential decree "On Regulating the Allotment of Gasoline and Diesel Fuel to the Owners of Private Vehicles" and "Order of Gratuitous Allotment of Fuel" on February 8. As of February 11, Turkmen citizens will receive on a monthly basis a fixed amount of free vehicle fuel based on vehicle weight. Anything above that amount will be available at a commercial price approved by the Cabinet of Ministers. The price on February 11 was 3100 manat/liter (approximately 6.4 cents at the unofficial rate).

ALLOTMENT OF FREE GAS

14. (SBU) Amount of free fuel allotted to vehicles:

-- Vehicles weighing less than 3,500 kg, seating eight or fewer passengers: 120 liters
-- Trucks weighing over 3,500 kg: 200 liters

-- Buses and other vehicles seating nine or more passengers
(not including the driver's seat): 200 liters
-- Tractors: 200 liters
-- Motorcycles and scooters: 40 liters

BANKS TO DISTRIBUTE RATION COUPONS

¶5. (SBU) On February 11, the official state newspaper, "Neytralniy Turkmenistan," published a list of 69 banks -- about one in each administrative district in Turkmenistan -- authorized to distribute ration coupons for free gas. Five of these banks are located in Ashgabat. Turkmen citizens must present a passport, vehicle registration, and vehicle technical certificate to receive a six-month supply of coupons.

¶6. (SBU) An Embassy FSN visited one of these banks on February 11. He found a queue of 50-70 people/car owners standing outside trying to enter the bank to get coupon books. One person who had successfully gotten a coupon book explained that a car owner has to present a passport, the car registration, and the inspection certificate for the car to receive the coupons. the FSN waited in line for 25-20 minutes before giving up and leaving. This particular bank serves the residents of three Ashgabat districts - Azatlyk, Kopetdag, and Chandybil.

FEBRUARY 9: HEAVY TRAFFIC AND LIMITED SUBSIDIZED GAS AT FILLING STATIONS

¶7. (SBU) An Embassy employee who by chance went to a gas station the evening of February 8 shortly after the newscast ended around 10:00 pm found unusually-long lines of vehicles.

Gas station attendants told the employee that gas would go up on February 11 and told him the price. On February 9 at 11:00 am, another Embassy employee saw two policemen were directing traffic around the filling station, and gas station attendants would sell customers only a half-tank of gas. Long lines were common at gas stations on February 9-10. On February 11, one Embassy employee reported that gas was siphoned from one of his acquaintance's vehicles and a fight had broken out at one station.

¶8. (SBU) COMMENT: Foodstuffs, textiles, and public transportation costs -- including for buses traveling from city to city, trains, and air tickets -- will certainly rise. This is a source of understandable concern for Turkmen citizens. Taxi fares have already risen. Another possible negative effect is the potential for abuse of the system based on black-market sales of ration coupons. END COMMENT.
HOAGLAND